

Education and Workforce Development Cabinet

Kentucky's jobless rate drops to 9.6 percent in October 2011

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Editor's Note: Preliminary October and revised September labor market information are included in this release.

FRANKFORT, Ky. (Nov. 17, 2011) — Kentucky's seasonally adjusted preliminary unemployment rate fell to 9.6 percent in October 2011 from 9.7 percent in September 2011, according to the Office of Employment and Training (OET), an agency of the Kentucky Education and Workforce Development Cabinet.

The preliminary October 2011 jobless rate was .6 percentage point below the 10.2 percent rate recorded for the state in October 2010. The state's October 2011 rate is the lowest since the August 2011 rate of 9.5 percent.

The U.S. seasonally adjusted jobless rate dropped to 9 percent in October 2011 from 9.1 percent in September 2011, according to the U.S. Department of Labor.

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working.

Six of the 11 major nonfarm North American Industry Classification System (NAICS) job sectors reported an employment increase in October 2011, while four decreased and one remained the same, according to OET. The number of jobs increased by 5,200 from September 2011 to October 2011 bringing Kentucky's nonfarm employment to a seasonally adjusted total of 1,798,100. Kentucky's nonfarm employment has grown by 18,700 workers since October 2010.

"October 2011 marks the first month of job gains since July 2011 and the highest level of nonfarm employment since December 2008 when it was 1,817,200," said Ron Crouch, OET director of Research and Statistics.

According to the seasonally adjusted employment data provided by the Bureau of Labor Statistics' Current Employment Statistics (CES) program, Kentucky's manufacturing sector ballooned by 2,900 jobs in October 2011. Since October 2010, employment in the manufacturing sector has climbed by 6,300 positions.

"The increase in manufacturing jobs occurred mostly in the durable goods subsector which includes items that are expected to last more than 3 years such as appliances or furniture," said Crouch.

The state's leisure and hospitality sector jumped by 1,700 jobs in October 2011. Since October 2010, the sector has grown by 6,600 positions. The leisure and hospitality sector includes arts, entertainment and recreation, accommodations and food services, and drinking places industries.

"The employment increase in the leisure and hospitality sector in October 2011 is attributed to accommodations and food services businesses, which gained 2,000 jobs," said Crouch.

The educational and health services sector added 1,000 workers in October 2011. The sector has expanded by 5,000 jobs since October 2010. This sector includes private and nonprofit establishments that provide either education and training or health care and social assistance to their clients.

The trade, transportation and utilities sector grew by 400 jobs in October 2011. This area includes retail and wholesale trade, transportation and warehousing businesses, and utilities. It is the largest sector in Kentucky with 360,200 employees. Since October 2010, the number of jobs in this sector has risen by 1,800.

The information sector had 400 more jobs in October 2011. This segment, which includes firms involved in publishing, Internet activities, data processing, broadcasting and news syndication, has risen by 200 positions since October 2010.

Employment in the other services sector, which includes such establishments as repair and maintenance businesses; personal and laundry services; religious organizations; and civic and professional organizations, increased by 200 positions in October 2011. This sector had 1,300 fewer positions in October 2011 than October 2010.

The government sector, which includes public education, public administration agencies and state-owned hospitals, had the same number of jobs in September 2011 and October 2011. The sector had 4,200 fewer jobs than in October 2010.

The state's professional and business services sector dropped by 600 positions in October 2011. This area includes professional, scientific and technical services; management of companies; and administrative support and waste management, including temporary help agencies. Since last October, jobs in the sector have mushroomed by 10,100.

"The 5.5 percent increase in year-over-year employment in the professional and business services sector is clustered in administrative and support businesses," Crouch said.

Construction sector jobs fell by 400 in October 2011. Since October 2010, employment in the construction sector has dropped by 3,300 jobs.

The financial activities sector decreased by 200 jobs in October 2011. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, had 2,900 fewer positions than in October 2010.

Employment in the mining and logging sector went down by 200 in October 2011. The sector has gained 400 jobs since October 2010.

The U.S. Bureau of Labor Statistics' monthly estimate of the number of employed Kentuckians for October 2011 was 1,895,046 on a seasonally adjusted basis. This figure is up 2,340 from the 1,892,706 employed in September 2011, and up 23,199 from the 1,871,847 employed in October 2010.

The monthly estimate of the number of unemployed Kentuckians for October 2011 was 202,247, down 641 from the 202,888 Kentuckians unemployed in September 2011, and down 11,178 from the 213,425 unemployed in October 2010.

The monthly estimate of the number of Kentuckians in the civilian labor force for October 2011 was 2,097,293. This figure is up 1,699 from the 2,095,594 recorded in September 2011, and up 12,021 from the 2,085,272 recorded in October 2010.

Civilian labor force statistics include nonmilitary workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.

Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.

Learn more about the Office of Employment and Training at www.workforce.ky.gov.